

INFORMATION BULLETIN

WORKFORCE INVESTMENT ACT

Number: WIAB03-79

Date: April 14, 2004

Expiration Date: 6/30/05

69:128:jp:8190

TO: WORKFORCE DEVELOPMENT COMMUNITY

SUBJECT: LWIA ADVISORY COMMITTEE CONFERENCE CALL MINUTES—
MARCH 19, 2004

The minutes and revised agenda from the Local Workforce Investment Area (LWIA) Advisory Committee conference call on Friday, March 19, 2004, are attached for your review and information. Please ensure that the minutes are provided to the appropriate staff.

If you have any questions regarding the minutes, please contact James Scholl at (916) 657-4610.

/S/ BOB HERMSMEIER
Chief
Workforce Investment Division

Attachments

LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE CONFERENCE CALL

Friday, March 19, 2004

Agenda

10:00 a.m.	Welcome/Hot Topics	Bill Burke, Workforce Development Branch (WDB)
	California Workforce Investment Board (State Board) Update	David Militzer, State Board
	25 Percent Workgroup	David Militzer, State Board
	Welfare-to-Work Closeout Process	Jose Luis Marquez, WDB
	Allocations Update	Michael Evashenk, Workforce Investment Division (WID)
	Performance Update	Liz Clingman, WID
	Open Discussion	Bill Burke / All
	Adjourn	

LOCAL WORKFORCE INVESTMENT AREA ADVISORY COMMITTEE CONFERENCE CALL MINUTES

Friday, March 19, 2004

Welcome/Agenda Building/Hot Topics—Bill Burke, WDB.

- **GAO Review**—The General Accounting Office (GAO) will review three Local Workforce Investment Areas (LWIA) sometime during the week of March 22 to ascertain the degree of universal access that exists in the One-Stop systems. The GAO has suggested holding a conference call with us after the review to summarize their findings. We will then share the findings with the LWIAs regarding the concerns about universal access and where GAO sees potential problems, room for improvement, or the possibility this will be reflected in future legislation.
- **Governor's CPR**—Governor Schwarzenegger has launched the California Performance Review (CPR) of the State government, and has selected a team of approximately 150 members from various departments and agencies within the State. The CPR team is looking at different ways to reenergize government, and to make it more customer-driven and cost efficient. The team has asked for suggestions from State employees, of which a great many suggestions have come in from throughout State government. The Governor is also asking for suggestions from outside entities. The Web site address is cpr.ca.gov/email/ - [cpr](http://cpr.ca.gov/). They will be concluding the investigative fieldwork and preliminary work by the end of June 2004. A report on their findings will follow sometime in the summer or early fall of 2004.
- **National Emergency Grant (NEG) Guidelines**—A conference call was held on March 16 requesting modifications to the Transportation/Technology NEG and the Wild Fire NEG that would allow the Employment Development Department (EDD) to be more effective in serving people who are affected by the layoffs.

Jose Luis Marquez stated that letters were sent to the Department of Labor (DOL) requesting LWIAs be given more flexibility on how they can serve the industries that were identified in the original NEG. Because DOL took approximately nine months to approve the Transportation/Technology NEG, the LWIAs are having trouble serving only the companies identified in the proposal. The key issues and responses are:

1. The EDD did want to augment the original list of companies that had layoffs of 50 or more workers. The DOL's response was that the LWIAs have to document at least 50 layoffs from each company. It is requested that the LWIAs provide more data to DOL to possibly get the grant modification approved.

2. The more significant issue is getting the next set of incremental funding. The DOL's response is that they won't give California more money until we show full enrollment. Their rationale was the current Training Employment Guidance Letter (TEGL) 16-03, which says full enrollment must be reached within the first six months of the grant. This means that 1700 participants must be enrolled by June 30, possibly without increased flexibility, which is really challenging. The LWIAs are concerned that if they now do full enrollment, there is no guarantee that DOL will give the incremental funding.
3. The last issue is to include additional layoffs that were less than 50 workers. The DOL's response was that more information is needed for possible consideration and approval of the modification.

Bill Burke said we will pursue these three issues with both DOL Region 6 and the National Office.

- Increased Travel for Regional Advisors—Due to increasing budget limitations and reduced funding at the federal level across the board, there has been a freeze on travel. In an effort to ensure the Regional Advisors are able to contact the LWIAs and to provide quality customer service, travel for the Regional Advisors has been increased.
- Voluntary Transfer of Staff—Because EDD is going through internal budget drills, the Workforce Development Branch (WDB) is now faced with the necessity of redirection of staff. At this point, it is a voluntary effort for staff to transfer to other areas of the Department that have vacant positions.
- Data Validation in Progress—Liz Clingman stated that data validation is now in progress. The completion date is April 15. There are 24 LWIAs involved. Everyone who is subject to data validation based on the federal software, which selected the local areas, has been notified. There is State staff in the field currently conducting data validation.
- Job Training Automation (JTA) Update—Liz Clingman stated that due to the current budget restraints, the full replacement of JTA is still on hold until some of the budget issues are resolved. However, the ad hoc reporting software will still be replaced on the front of JTA. Liz expressed her appreciation to all the LWIAs for promptly responding to the SQL Assist survey. She anticipates the decision on the replacement ad hoc reporting tool will be announced in the near future.
- DOL Federal Review—The DOL regional office has been conducting their review of the Workforce Investment Act (WIA) at both the State and local level. The final report with the exit reviews has been rescheduled for early April.
- Prior Approval Procurement Issues—An advisory member asked for an update regarding the issue of prior State approval of purchase of items over \$5000. Bill Burke said there wasn't any update for resolution, at this point. However, WDB

and the Compliance Review Division (CRD) have been discussing the application of that rule and how it should be handled. It is not known at this time whether CRD is going to accept WDB's approach to the rule. Bill said he would inform the LWIAs as soon as there is a resolution.

Note: Subsequent to the conference call, WDB staff conferred with both DOL Region 6 staff and representatives from EDD's CRD on this issue. This resulted in EDD securing authority to provide retroactive approval for purchases that have been questioned in which WDB can demonstrate that these would have been approved as "reasonable, necessary and allocable."

- **Allocation of Core/Intensive/Training Costs**—The EDD is interested in understanding, at the local level, the allocation of costs among the primary service of core, intensive, and training. This information is not being captured at the State level. The question was asked if the LWIAs have a system in place to capture this data. The advisory committee responded by saying they absolutely capture this information, as well as breaking out the expenditures for the discretionary 15 and 25 percent funds. A meeting will be scheduled with Tim Rainey, California Workforce Association (CWA), for further discussion.
- **25 Percent Grant Closure**—An advisory member raised a question regarding the processing time of 25 percent project closure grants after the Governor's Action Requests (GAR) are approved. He indicated that it had been a month since he had been notified of these awards and had yet to receive the funding.

After discussion, the group realized there are two kinds of notifications. (1) The LWIAs are informally notified that their project has been approved. (2) Sometime much later, EDD receives a signed GAR that authorizes the Department to enter into a subgrant with the LWIA. Sometimes it takes weeks after the informal notification for the GAR approval to reach EDD. In this particular case, once EDD received the GAR, it took only 13 workdays to complete the process. The WID will, of course, try to ensure that all grant awards be processed as expeditiously as possible.

- **Dislocated Worker Funds**—Bob Hermsmeier explained there is about \$6.5 million left in the 25 percent bank, with about \$1.5 million in the process of being recommended for funding several projects, leaving about \$5 million. The remaining approximately \$5 million is being recommended for funding of the State/Local Rapid Response system from July-September 2004.

California Workforce Investment Board (State Board) Update—David Militzer, State Board. The projects that are being completed at the State Board, and in partnership with EDD, are as follows:

- The WIA Systems Evaluation, which is now moving towards the final scope of work and the development of a WIA Evaluation Advisory Group.

- The Youth Access Grant is a work in progress. You may contact David Militzer for more information.
- There is a pending Request for Approval to distribute the incentives money for this year. The State Board is waiting for final approval and is working with EDD on a directive that will go out for that.
- We will be working with our Board members and others to make modifications in the current Incentives Policy that was developed approximately 2-1/2 years ago, and is now somewhat outdated in terms of the current environment.
- The Regional Economies project forums will be held April 19 in Redding, and in Sacramento on April 26. The Labor and Workforce Development Agency's Web site now has a section for the Regional Economies projects at labor.ca.gov/panel/. The State Board's Web site, which is still under construction, will also be featuring the Regional Economies projects.

25 Percent Workgroup—David Militzer, State Board. David Militzer and Javier Romero, along with Steve Saxton of WID, are organizing the 25 Percent Workgroup. At the last CWA meeting in San Francisco, Dennis Petrie, Deputy Director, WDB, discussed the workgroup and received feedback that he shared with the State Board staff in terms of expanding its membership. In the expansion of the membership, we've included representatives from all regions of the State and expanded membership to 15 members. Out of the 15-member workgroup, there are 11 local representatives, 6 of which are on the LWIA Advisory Committee. Kirk Lindsay was appointed the new Chair for the workgroup.

The next meeting is scheduled for March 29, from 10 a.m. to 3 p.m. The first meeting's agenda will include what the focus of the group will be. The plan is to convene the workgroup two to three times per month to generate a policy document that the State Board can act on at its May 6 meeting.

WtW Closeout Process—Jose Luis Marquez, WDB. The Welfare-to-Work (WtW) is in full closeout mode. Approximately a month ago, we received the closeout forms, which started the process. We finally received TEGl 19-03 that provided the details regarding allowable costs, etc. We have revised the information to be more understandable by separating out the information that applied to the LWIAs and what parts only applied to the State, and sent that information to the remaining 24 grantees on March 9. Unfortunately, we're facing an aggressive schedule with the earlier start date, with our report due to DOL on May 20. We are asking the LWIAs to complete their activities by March 31 and submit their closeout packages to the State by April 9. This week, EDD also released instructions for the use of an automated tool to transfer participants from WtW to WIA. The tool will be up and running by March 27.

Originally, we had projected \$9 million left in the WtW grant. The latest projections indicate California has only a little over \$5 million left in the grant.

Allocations Update—Michael Evashenk, WID. The Labor Market Information Division (LMID) staff is in the process of loading the data that will generate allocations to the LWIAs for PY 2004-05. The targeted completion date for LMID is April 1. The WID will then process and verify the data. We anticipate sending the allocations to each LWIA during the week of April 4.

Note: Subsequent delays by DOL in releasing the State allotments delayed the substate allocations. New target date for release is on or about April 12, 2004.

Performance Update—Liz Clingman, WID. We have until June 30 to finalize State and local performance negotiation, including potential renegotiation with DOL. Please see Draft Directive, [WIADD-70](#), *LWIA Proposed Performance Levels for PY 2003-04*, dated March 30, 2004, for more information. The LWIAs have until April 30, 2004, to accept the State-proposed levels or request further negotiations. At the request of a LWIA Director on the call, Liz agreed to send out a report to the LWIAs regarding their current performance.

Liz indicated the reporting quarters for the Annual Report have been changed by DOL. Also, the annual report is now due October 1 instead of December 1.

The JTA has been modified to reflect the new Annual Report parameters for performance. Details on the federal reporting changes were released in WIA Information Bulletin [WIAB03-61](#), March 9, 2004. The necessary changes to the JTA system were contained in WIA Information Bulletin [WIAB03-56](#), *JTA Release 4.30*, dated February 4, 2004. This means that Annual Report calculations run through JTA at the local level are consistent with current DOL requirements.

Wagner-Peyser Strategy—Larry Fitch, on behalf of the other LWIAs, asked how decisions are made to allocate Wagner-Peyser resources to the One-Stops. Trying to balance the Wagner-Peyser budget by just having a conversation inside of EDD was ignoring the consequence it had to the entire California workforce development system. It is essential to have the LWIAs involved and to know how the resources are used at the facilities. He was also interested in how much is the balancing taking place in the field versus Sacramento. Larry also asked for Wagner-Peyser funded staff by county for the last four to five years.

Bill Burke said he appreciates the Advisory Committee's comments and concerns and recognize this is a dilemma. Bill will take their concerns to the Deputy's meeting. The Branch is not directly the decision maker. Anything we can share, we will.

California Cooperative Occupational Information System (CCOIS)—In the LMID-CCOIS portion, due to funding reduction, staff will be reduced from 35 to 23. There are also other reductions under different funding resources within LMID.

An LMID customer survey indicated LWIAs wanted local data as real time as possible as close to the customer as possible. The LMID's proposal seems to be exactly the opposite.

Richard Holden, Chief of LMID, indicated they were trying to give the LWIAs the best product possible, within the very limited resources.

Dennis Petrie, Virginia Hamilton, and Richard Holden will meet to discuss this concern within the next two weeks.

David Militzer, State Board, stated that the Regional Economies projects could address some of the topics of discussion in terms of State and local relationship around more timely information. David suggested that discussions about CCOIS take into consideration other LMID products and approaches, and not simply focus on CCOIS in isolation.